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PepsiCo Official Propelled Into Gallagher Controversy

A 51-year-old PepsiCo executive was propelled into the center of the Cornelius Gallagher controversy yesterday when Gallagher, in a speech on the floor of the House of Representatives, accused him of giving false information to Life magazine with the aim of ruining his political career.

Cartha "Deke" DeLoach, now a PepsiCo vice president and close associate of PepsiCo chairman Donald Kendall, was accused by Gallagher, a New Jersey congressman under indictment by a federal grand jury, of spreading a "terrible gruesome lie" about Gallagher's wife when DeLoach was a top aide to FBI director J. Edgar Hoover.

DeLoach, an assistant director of the FBI and an assistant to Hoover during his 25-year career with the FBI, left the federal agency in 1970 for the PepsiCo post in Purchase,

WHEN TOLD about Gallagher's speech, DeLoach said: "I won't dignify the congressman's charges with a statement. The congressman is under indictment. The facts speak for themselves."

The 51-year-old New Jersey Democrat was indicted last week and charged with income-tax evasion, perjury and conspiracy to help two convicted New Jersey politicians evade taxes.

In his House floor speech, Gallagher said Hoover plotted

against him because he refused to help the FBI director in a feud with then-Sen. Robert F. Kennedy.

Gallagher said the FBI tried to "blackmail and intimidate me" into taking sides with Hoover in the dispute with DeLoach playing key role.

GALLAGHER SAID FBI harassment began in June 1966, when he refused to get information from the Justice Department that DeLoach wanted made public.

Gallagher said he was told to request the documents, which would have embarrassed Sen. Robert Kennedy at a time when Kennedy had

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raised the ire of Hoover, "if I was interested in my own future, . . ."

Gallagher said Roy Cohn, a lawyer friend who was well-connected to the FBI, relayed that word on behalf of DeLoach. Cohn was counsel to the Senate Investigations Committee when the panel was headed by the late Sen. Joseph R. McCarthy, R-Wis.

Gallagher said the federal indictment and the "terrible smears" published about him in Life magazine were aimed at discrediting him when he was to run for re-election in his redistricted area.

THE MAJOR PART in a 1967 Life article that most people remember, Gallagher said, "relates to the alleged removal of Barney O'Brien from my house by Harold 'Easy' Rabinowitz. Life read very close to word, and a murder . . . Though that innuendo was there, it was hedged later by saying that O'Brien had died of natural causes. . ."

Shortly before the Life article, Gallagher said, DeLoach told Cohn to warn Gallagher to resign from Congress because "he's not going to last more than a week after the story hits."

Gallagher's voice broke as he claimed that Life writers were told the following story by DeLoach:

"My family were nothing but pigs. Whether I believed it or not, the FBI had 'incontestable' proof that Barney O'Brien died in my house. Rather than allow the terrible scandal to my family to become public, I would resign. If I did not resign from the Congress, the FBI and its captive writers were prepared to go beyond the story hinted at before."

"DELOACH THEN said that Barney O'Brien died in my

own bed. He had a heart attack while lying next to Gallagher's wife' and that 'when Gallagher learned of this, he rushed home from Washington and called Konigsberg to remove the body.' And DeLoach added that if I did not quit the Congress, this story would appear in a future issue of Life magazine," said Gallagher.

"That outrageous, appalling statement by DeLoach is a greater lie than any man has the right to whisper about another," said Gallagher.

Gallagher's wife, Christina, sat in the gallery with their daughters, Chris, Patrice,

Bridget and Diane, while the congressman spoke.

GALLAGHER SAID that DeLoach must have had the approval of Hoover "and that alone is enough for Mr. Hoover to resign."

But if Hoover did not know of this, said Gallagher, "he is obviously incompetent to run the bureau and he should resign."

Gallagher said that on Oct. 14, 1962, when the body incident was supposed to have occurred, he and his wife were at a political dinner that evening and there were photographs taken which document their attendance.

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